

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Southern California Edison Company's Application For Approval of Embedded Energy Efficiency Pilot Programs for 2007-2008.	Application 07-01-024 (Filed January 16, 2007)
Application of Pacific Gas and Electric Company Seeking Approval of Water-Embedded Energy Savings Pilot Program.	Application 07-01-026 (Filed January 16, 2007)
San Diego Gas & Electric Company for Approval of Energy & Water Efficiency Partnership and Budget for Years 2007 Through 2008.	Application 07-01-029 (Filed January 16, 2007)
Southern California Gas Company for Approval of Energy & Water Efficiency Partnership and Budget for Years 2007 Through 2008.	Application 07-01-030 (Filed January 16, 2007)

# REPLY COMMENTS OF THE UTILITY REFORM NETWORK ON THE PROPOSED DECISION OF ADMINISTRATIVE LAW JUDGE WEISSMAN

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#### I. Introduction

On November 15, 2007, the Commission issued the Proposed Decision (PD) of Administrative Law Judge (ALJ) Weissman entitled "Order Approving Pilot Water Conservation Programs Within the Energy Utilities' Energy Efficiency Programs." Pursuant to Rule 14.3 and ALJ Weissman's directive on the scope of comments, The Utility Reform Network (TURN) submits these reply comments.

#### II. Reply to Utilities

PG&E, SCE, SDG&E and SoCalGas recommend that the final EM&V plan be "subject at a minimum to a workshop and written comments before the CPUC adopts it. Alternatively, it should be subject to the same external review requirements as the Commission's 2006-2008 energy efficiency program evaluations." (PG&E, p. 5, SCE p. 3; SDG&E, p. 5; SoCalGas, p. 9.) TURN agrees that some degree of external review could be helpful, though we believe a process as formal as a workshop and filed written comments would be unnecessary.

Instead, TURN suggests that Energy Division and the Utilities be directed to make publicly available final draft EM&V plans for the studies and evaluations authorized in the PD. The service list to this proceeding should be notified of such posting, and Energy Division should invite interested parties to submit feedback on the study plans under its administration, as well as those that the utilities may conduct with their EM&V pilot funds. Energy Division should finalize its study plans following receipt of informal comments from stakeholders, similar to its practice for the Energy

Efficiency studies it administers. The utilities should likewise welcome input into their study plans. Finally, TURN proposes that Energy Division make available for public review and comment results of the pilot programs and related studies. This informal exchange of information at the beginning and end of the studies should enhance the quality of EM&V activities funded through the pilot, without creating undue delays or significant commitments of time or resources.

#### III. Reply to NRDC

#### A. EM&V Advisory Group

NRDC proposes that the Commission authorize a stakeholder advisory group to "advise on, coordinate, and integrate the various studies approved in this decision as well as the Energy Division's further development of the cost-effectiveness calculator." (NRDC, Appendix, Proposed New Conclusion of Law.) While NRDC does not propose a specific advisory group structure and process, NRDC envisions that the group would be convened by Energy Division to "advise and assist in the implementation of the various studies approved in this decision, including the further development of the cost-effectiveness calculator, and in the coordination and integration of the various studies and the utilities' approved pilot programs." (NRDC, Appendix, Proposed New Ordering Paragraph.)

TURN recommends that the Commission reject this proposal and instead create the opportunities for public review and input described in Section II above. TURN does not believe it would be necessary or appropriate to direct Energy to convene an advisory group to assist it in doing its job throughout the pilot period. If Energy Division determines that it needs additional technical assistance or assistance in coordinating the

studies and programs, beyond what the PD would authorize it to obtain, Energy Division should approach the ALJ Division for additional resources or other opportunities to obtain public input.

#### B. Modification to Ordering Paragraph 1

NRDC argues that Ordering Paragraph 1 of the PD should be modified to comport with the Commission's existing energy efficiency policies. (NRDC, p. 12.) TURN supports NRDC's proposed modification.

#### IV. Reply to California Water Association

The California Water Association (CWA) proposes that the \$4 million reduced from the pilot budget be allocated to partnerships between the energy utilities and water investor owned utilities regulated by the Commission. CWA describes several energy saving opportunities available for this purpose. Without an opportunity to thoroughly evaluate these proposals, TURN cannot comment on their merit and opposes their inclusion at this late date in the pilot program.

However, to the extent the energy savings described by CWA are direct energy savings, rather than embedded energy savings, they could be eligible for energy efficiency funding under the Commission's current policy rules. If so, TURN suggests that the energy utilities explore the feasibility of including such activities in their 2009-2011 portfolios.

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### V. Conclusion

For the foregoing reasons, TURN recommends that the Commission adopt the Proposed Decision of ALJ Weissman with the modifications discussed in our opening comments and herein.

December 10, 2007 Respectfully submitted,

By: /S/ Hayley Goodson Staff Attorney

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#### CERTIFICATE OF SERVICE

I, Larry Wong, certify under penalty of perjury under the laws of the State of California that the following is true and correct:

On December 10, 2007 I served the attached:

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on all eligible parties on the attached lists to A.07-01-024, A.07-01-026, A.07-01-029 & A.07-01-030, by sending said document by electronic mail to each of the parties via electronic mail, as reflected on the attached Service List.

Executed this December 10, 2007, at San Francisco, California.

\_\_\_\_/S/ Larry Wong

#### Service List for A.07-01-024, A.07-01-026, A.07-01-029 & A.07-01-030

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